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BILL ANALYSIS

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House Bill 4884 (Substitute S-1 as reported)  
Sponsor: Representative Shanelle Jackson  
House Committee: Appropriations  
Senate Committee: Appropriations

### **CONTENT**

The Michigan Trust Fund Act provides for the establishment of the 21<sup>st</sup> Century Jobs Fund. The 21<sup>st</sup> Century Jobs Fund was established to receive the \$400.0 million of net proceeds from the sale of future tobacco settlement revenue. This \$400.0 million was used for economic development programs across the State. House Bill 4884 (S-1) would clarify that the \$415.0 million of additional borrowing against future tobacco settlement revenue authorized in Public Act 18 of 2007 would not be credited to the 21<sup>st</sup> Century Jobs Fund. Pursuant to Public Act 18 of 2007, this \$415.0 million of additional borrowing against future tobacco settlement revenue will be deposited into the School Aid Fund (\$207.8 million) and the General Fund (\$207.2 million).

The bill also contains the authorization to transfer and appropriate \$50.0 million from the 21<sup>st</sup> Century Jobs Fund to the General Fund. This transfer was part of the comprehensive agreement to eliminate the FY 2006-07 budget deficit.

MCL 12.257

### **FISCAL IMPACT**

House Bill 4884 (S-1) would implement two of the procedures to be used to eliminate the FY 2006-07 budget deficit. These are the securitization of \$415.0 million of future tobacco settlement payments and the transfer of \$50.0 million from the 21<sup>st</sup> Century Jobs Fund to the General Fund.

Date Completed: 6-21-07

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